

AMENDED IN SENATE MAY 28, 2008

AMENDED IN SENATE MAY 6, 2008

AMENDED IN SENATE APRIL 3, 2008

SENATE BILL

No. 1672

Introduced by Senator Steinberg
(Coauthor: Assembly Member Hancock)

February 22, 2008

An act to add Division 16.2 (commencing with Section 26200) to the Public Resources Code, relating to energy, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST

SB 1672, as amended, Steinberg. Energy: Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Bond Act of 2010.

Existing law provides various funding sources for energy efficiency projects and related purposes.

This bill, subject to voter approval at the 2010, ____ election, would enact the Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Bond Act of 2010 to authorize the issuance and sale of ~~\$3,000,000,000~~ \$2,250,000,000 in state general obligation bonds for specified purposes, ~~including investments in renewable energy and energy efficiency and conservation; the development of clean technology businesses and jobs, and educational and worker training programs; and the development of businesses, technologies, infrastructure investment, jobs,~~

apprenticeships, and internships that will help California adapt to climate change with special attention for actions that will benefit disadvantaged communities. Of the bond revenues generated, \$1,250,000,000 would be deposited into the Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Fund of 2010, which would be created by the bill in the State Treasury, and would be available, upon appropriation by the Legislature, for the purposes of the construction of new facilities or the reconfiguration of existing facilities to enhance the educational opportunities for pupils to provide them with the skills and knowledge necessary for careers directly related to clean technology, renewable energy, or energy efficiency. The remaining \$1,000,000,000 generated from the bond proceeds would be deposited into the Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Revolving Loan Fund, which would be created by the bill in the State Treasury, and would be available, upon appropriation by the Legislature, for loans awarded for capital outlay projects undertaken by specified entities to provide job training and development for specified individuals. The bill would create the Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Council comprised of 14 5 members. The council would be required to issue guidelines to implement the purposes of this act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Division 16.2 (commencing with Section 26200)
2 is added to the Public Resources Code, to read:
3
4 DIVISION 16.2. RENEWABLE ENERGY, CLIMATE CHANGE,
5 CAREER TECHNICAL EDUCATION, AND CLEAN
6 TECHNOLOGY JOB CREATION BOND ACT OF 2010
7
8 CHAPTER 1. GENERAL PROVISIONS
9
10 26200. This division shall be known and may be cited as the
11 Renewable Energy, Climate Change, Career Technical Education,
12 and Clean Technology Job Creation Bond Act of 2010.

1 26201. (a) *The people of the State of California and the*
2 *Legislature, in approving this measure, find and declare all of the*
3 *following:*

4 (1) *California's international leadership in renewable energy,*
5 *energy conservation, clean technology, and climate change policies*
6 *creates significant, but dramatically underfunded, opportunities*
7 *to provide strategic capital investments in energy conservation,*
8 *clean technologies, and renewable energy, including projects that*
9 *contribute directly to workforce development and educational*
10 *opportunities for high school pupils, young workers, community*
11 *college students and graduates, youth who participate in*
12 *community or state service organizations, college and university*
13 *students and graduates, apprenticeship programs for building and*
14 *construction trades and other technical and vocational careers,*
15 *and training programs for unemployed, underemployed, or*
16 *displaced workers and high school dropouts.*

17 (2) *California has an opportunity to combine the education and*
18 *training of both its future college educated workforce, the*
19 *underemployment of recent high school graduates, and its highly*
20 *skilled technical workforce with its effort to combat high school*
21 *dropouts and the retraining of workers who have been displaced*
22 *by the loss of high-wage jobs in California. Clean technology jobs*
23 *and renewable energy jobs (green collar jobs) can provide*
24 *underserved communities with a pathway out of poverty, a new*
25 *and inspiring focus for educational institutions and nonprofit*
26 *organizations, and significant statewide economic and*
27 *environmental benefits.*

28 (3) *A 2006 poll of at-risk California 9th and 10th graders by*
29 *Peter D. Hart Research Associates found that six in 10 students*
30 *were not motivated to succeed in school. Of those students, more*
31 *than 90 percent said they would be more engaged in their*
32 *education if classes helped them acquire skills and knowledge*
33 *relevant to future careers. Career technical education programs*
34 *that create paths to further education, advanced training, or*
35 *productive jobs in high opportunity careers can keep students*
36 *engaged and on track toward a diploma.*

37 (4) *Investments in renewable energy, energy conservation, clean*
38 *technologies, and climate change mitigation, and investments that*
39 *develop the workforce for these industries will provide multiple*
40 *benefits to California in all of the following ways:*

1 (A) *Helping to achieve the state's climate change goals required*
2 *by the California Global Warming Solutions Act of 2006, Division*
3 *25.5 (commencing with Section 38500) of the Health and Safety*
4 *Code.*

5 (B) *Creating employment opportunities for Californians that*
6 *would otherwise not be fully realized.*

7 (C) *Creating opportunities for new businesses, and expanding*
8 *and retrofitting existing businesses.*

9 (D) *Expanding the state's utilization of renewable energy.*

10 (E) *Contributing to the growth of clean technology businesses*
11 *in California.*

12 (5) *A failure to act by California will perpetuate the lack of an*
13 *integrated education, job training, and business infrastructure*
14 *that otherwise could take advantage of the projected growth in*
15 *these industries and the corresponding increase in state and local*
16 *taxes, other public revenues, and additional economic benefits*
17 *associated with the likely surge in clean technology and renewable*
18 *energy jobs.*

19 (6) *The American Solar Energy Association, for example,*
20 *concluded that in 2006 approximately 3.6 million Americans were*
21 *directly employed by renewable energy and energy efficiency firms*
22 *and that another 5 million Americans held jobs indirectly*
23 *attributable to these industries. The renewable energy and energy*
24 *efficiency industries of America generated approximately nine*
25 *hundred seventy-five million dollars (\$975,000,000) in revenue in*
26 *2006. These industries could employ a workforce of up to 40*
27 *million Americans, and could generate four trillion five hundred*
28 *billion dollars (\$4,500,000,000,000) in annual revenue by 2030*
29 *if these industries were expanded aggressively.*

30 (7) *The Renewable and Appropriate Energy Laboratory at the*
31 *University of California, Berkeley, found that renewable energy*
32 *creates more jobs per megawatt of power installed, per unit of*
33 *energy produced, and per dollar of investment, than the fossil fuel*
34 *energy-based sector.*

35 (8) *A study by the Apollo Alliance, a coalition of business, labor,*
36 *and environmental organizations, showed that a major national*
37 *investment in renewable energy, alternative automobiles and fuels,*
38 *high-performance buildings, and infrastructure would result in*
39 *the creation of nearly 3.5 million green collar jobs for Americans*
40 *over a 10-year period.*

1 (9) *Reducing high school dropout and joblessness rates among*
2 *California's young people who are preparing for and entering the*
3 *job market are important state priorities and it is especially*
4 *important that high school and community college students who*
5 *choose to do so are trained in careers that will help California*
6 *achieve its greenhouse gas reduction goals and contribute to the*
7 *development of California's renewable energy resources.*

8 (b) (1) *It is the intent of the people of the State of California*
9 *and the Legislature to stimulate the economy of the State of*
10 *California, to create tens of thousands of good paying jobs in*
11 *industries and businesses that are in compliance with the state's*
12 *environmental protection laws and regulations, to provide to*
13 *entrepreneurs and employers the best-trained workforce in the*
14 *United States, and to prepare young people and adults to work in*
15 *clean, green industries and professions. These jobs would provide*
16 *green pathways out of poverty for individuals in communities that*
17 *suffer higher high school dropout rates, joblessness, and pollution.*
18 *These jobs would help achieve California's climate change*
19 *mitigation obligations and conserve our state's vital resources of*
20 *water, air quality, land, and energy. These investments would*
21 *enable California to offer opportunities for business leaders,*
22 *communities, young people, and adults alike, all of which would*
23 *benefit from California's emerging new green economy.*

24 (2) *It is the intent of the people of the State of California and*
25 *the Legislature that federally recognized California Indian tribes*
26 *should be eligible to apply for and expend funds authorized in this*
27 *division.*

28 (3) *It is the intent of the people of the State of California and*
29 *the Legislature that the grants and loans authorized by this division*
30 *should be expended on projects that will occur in California.*

31 26202. *As used in this division, the following terms have the*
32 *following meanings:*

33 (a) *"Board" means the Resources Agency.*

34 (b) *"Clean technology projects" means the following:*

35 (1) *Energy audits that include a determination of the energy*
36 *savings that could be achieved from projects funded under this*
37 *division and that may be recovered through utility bill financing.*

38 (2) *Retrofitting and weatherization activities that increase*
39 *energy efficiency and conservation.*

40 (3) *Energy- and water-efficient public buildings.*

1 (4) *Retrofitting and installing energy-efficient household*
2 *appliances, windows, doors, insulation, and lighting.*

3 (5) *Retrofitting and installing water and energy conservation*
4 *technologies in existing homes, industrial buildings, commercial*
5 *and public buildings, and farms, forestlands, and ranches, to*
6 *improve efficiency, including the use of energy and water*
7 *management technologies and control systems.*

8 (6) *The manufacture, sale, assembly, installation, construction,*
9 *and maintenance of energy-efficient technologies and renewable*
10 *energy facilities or the component parts of renewable energy*
11 *technologies.*

12 (7) *Projects related to energy-efficient technologies or practices*
13 *and renewable energy production or the component parts of*
14 *renewable energy plants and energy distribution, including energy*
15 *storage, energy infrastructure (including transmission),*
16 *transportation (including logistics), and water and wastewater*
17 *(including water conservation).*

18 (c) *“Committee” means the Renewable Energy, Climate Change,*
19 *Career Technical Education, and Clean Technology Job Creation*
20 *Finance Committee created pursuant to Section 26208.*

21 (d) *“Council” means the Renewable Energy, Climate Change,*
22 *Career Technical Education, and Clean Technology Job Creation*
23 *Council and shall be comprised of the following five individuals:*

24 (1) *The Secretary of the Resources Agency, who will serve as*
25 *chair of the council.*

26 (2) *The Secretary of Labor and Workforce Development.*

27 (3) *The Secretary for Environmental Protection.*

28 (4) *The Superintendent of Public Instruction.*

29 (5) *The Chancellor of the California Community Colleges.*

30 (e) *“Disadvantaged community” means a community with a*
31 *median household income that is less than 89 percent of the*
32 *statewide average. “Severely disadvantaged community” means*
33 *a community with a median household income that is less than 60*
34 *percent of the statewide average.*

35 (f) *“Eligible entity” means any of the following:*

36 (1) *A public school that serves grades 7 to 12, inclusive.*

37 (2) *A California community college.*

38 (3) *Other public entity that is dedicated to career technical*
39 *education.*

40 (4) *A publicly- or investor- owned utility.*

1 (5) *A nonprofit organization that is qualified under Section*
2 *501(c)(3) of the Internal Revenue Code and that is registered to*
3 *do business in California.*

4 (6) *A labor organization.*

5 (7) *A business entity.*

6 (8) *A state certified apprenticeship program.*

7 (9) *A regional collaborative consisting of local educational*
8 *agencies, higher education institutions, businesses, labor*
9 *organizations, or community-based organizations, including*
10 *workforce investment boards and regional workforce or economic*
11 *development entities.*

12 (10) *A state or local service organization, including, but not*
13 *limited to, the California Conservation Corps or a certified local*
14 *conservation corps.*

15 (11) *A public postsecondary educational institution.*

16 (12) *Any other entity approved by the council.*

17 (g) *“Fund” means the Renewable Energy, Climate Change,*
18 *Career Technical Education, and Clean Technology Job Creation*
19 *Fund of 2010 created pursuant to subdivision (a) of Section 26203.*

20 (h) *“Reconfiguration” means a modification of a structure of*
21 *any age that will enhance the educational opportunities for pupils*
22 *in existing middle and high schools in order to provide them with*
23 *the skills and knowledge necessary for their successful employment*
24 *in careers directly related to clean technology, renewable energy,*
25 *or energy efficiency that may also contribute to California’s goals*
26 *to reduce greenhouse gas emissions. “Reconfiguration” may*
27 *include new construction necessary to accommodate the*
28 *reconfiguration.*

29 (i) *“Renewable energy projects” means research and*
30 *development, manufacturing, generation, development, and*
31 *maintenance of appropriately sited power line transmission, power*
32 *storage, installation, repair, maintenance, and related activities*
33 *necessary to produce energy from wind, photovoltaic, solar*
34 *thermal, geothermal, biomass, including cellulosic ethanol,*
35 *biodiesel, and biomass power, green waste, and fuel cells.*

36 (j) *“Revolving loan fund” means the Renewable Energy, Climate*
37 *Change, Career Technical Education, and Clean Technology Job*
38 *Creation Revolving Loan Fund created pursuant to subdivision*
39 *(b) of Section 26203.*

1 *CHAPTER 2. RENEWABLE ENERGY, CLIMATE CHANGE, CAREER*
2 *TECHNICAL EDUCATION, AND CLEAN TECHNOLOGY JOB CREATION*
3 *FUND AND PROGRAM*

4
5 26203. *The proceeds of bonds issued and sold pursuant to this*
6 *division shall be administered as follows:*

7 (a) *The sum of one billion two hundred fifty million dollars*
8 *(\$1,250,000,000) shall be deposited into the Renewable Energy,*
9 *Climate Change, Career Technical Education, and Clean*
10 *Technology Job Creation Fund of 2010, which is hereby created*
11 *in the State Treasury. Moneys in the fund shall be administered*
12 *by the Resources Agency and be available, upon appropriation by*
13 *the Legislature, to those entities specified in paragraphs (1), (2),*
14 *and (3) of subdivision (e) of Section 26202 for reconfiguration*
15 *and used pursuant to Section 26203.2.*

16 (b) *The sum of one billion dollars (\$1,000,000,000) shall be*
17 *deposited into the Renewable Energy, Climate Change, Career*
18 *Technical Education, and Clean Technology Job Creation*
19 *Revolving Loan Fund, which is hereby created in the State*
20 *Treasury. The moneys in the revolving loan fund shall be*
21 *administered by the Resources Agency and shall be available upon*
22 *appropriation by the Legislature, for revolving loans and may be*
23 *awarded by the council for capital outlay projects undertaken by*
24 *an eligible entity if the applicant does either of the following:*

25 (1) *Enters into agreements, including, but not limited to,*
26 *partnerships, contracts, memoranda of understanding, or other*
27 *mutually agreed upon arrangements with middle schools, high*
28 *schools, or community colleges to support middle school career*
29 *exploration activities; curriculum and professional development;*
30 *high school pathway programs that integrate academic and*
31 *technical learning to prepare students for both college and careers,*
32 *including a sequence or cluster of three or more courses that align*
33 *with the State Board of Education-approved career technical*
34 *education standards and frameworks, and may be delivered*
35 *through high schools, regional occupation centers or programs,*
36 *adult education programs, partnership academies, or alternative*
37 *education programs, including continuation schools and programs*
38 *administered by county offices of education.*

39 (2) *Enters into agreements, including, but not limited to,*
40 *partnerships, contracts, memoranda of understanding, or other*

1 *mutually agreed upon arrangements with a state, local, regional,*
2 *or county program, or qualified nonprofit organization that*
3 *provides education, job training, or career opportunities for minors*
4 *or adults on probation or parole or currently incarcerated, or a*
5 *similar program or organization providing education, job training,*
6 *or career opportunities to minors or adults as part of an alternative*
7 *to incarceration or adjudication that is consistent with the Penal*
8 *Code.*

9 26203.2. (a) *The Renewable Energy, Climate Change, Career*
10 *Technical Education, and Clean Technology Facilities Program*
11 *is hereby established to provide funding to qualifying entities for*
12 *the purpose of constructing new facilities or reconfiguring existing*
13 *facilities, including, but not limited to, purchasing equipment with*
14 *an average useful life expectancy of at least 10 years, to enhance*
15 *educational opportunities for pupils in public schools serving*
16 *grades 7 to 12, inclusive, or community colleges in order to provide*
17 *them with the skills and knowledge necessary for their successful*
18 *employment in careers directly related to clean technology,*
19 *renewable energy, or energy efficiency that may also contribute*
20 *to California's goal in reducing greenhouse gas emissions.*

21 (b) *The council shall develop criteria and pupil outcome*
22 *measures to evaluate the program. The criteria shall ensure equity,*
23 *program relevance to industry needs, and articulation with more*
24 *advanced coursework at partnering community colleges or private*
25 *institutions.*

26 (c) *The program shall be based on grant applications*
27 *administered by the board and the community college district's*
28 *local governing board.*

29 (d) *Grants shall be allocated on a per-square-foot basis for the*
30 *applicable type of construction proposed or deemed necessary by*
31 *the board and the community college district's local governing*
32 *board consistent with the approved application for the project.*

33 (e) *New construction grants shall not exceed three million*
34 *dollars (\$3,000,000) per project per schoolsite, including*
35 *equipment, and shall only be allocated to comprehensive high*
36 *schools that have an active career technical advisory committee*
37 *pursuant to Section 8070 of the Education Code, in either of the*
38 *following methods:*

39 (1) *For a stand-alone project on a per-square-foot basis for the*
40 *applicable type of construction proposed, based on the criteria*

1 established pursuant to subdivision (b), consistent with the
2 approved application for the project.

3 (2) For new school projects, as a supplement to the per pupil
4 allocation pursuant to Section 17072.10 of the Education Code.
5 The supplement is intended to cover excess costs uniquely related
6 to the facilities required to provide the career technical education
7 program or programs.

8 (f) Modernization grants shall not exceed one million five
9 hundred thousand dollars (\$1,500,000) per project per schoolsite,
10 inclusive of equipment and may be awarded to schools serving
11 students in grades 7 to 12, inclusive, community colleges or joint
12 power authorities currently operating career technical education
13 programs that have an active career technical advisory committee
14 pursuant to Section 8070 of the Education Code for the purpose
15 of reconfiguration. For schools serving students in grades 7 to 12,
16 inclusive, the grant shall be supplemental to the per pupil
17 allocation pursuant to Section 17074.10 of the Education Code.
18 The supplement is intended to cover excess costs uniquely related
19 to the facilities required to provide the career technical education
20 program or programs.

21 (g) (1) A school or community college district shall contribute
22 from local resources a dollar amount that is equal to the amount
23 of the grant of state funds awarded under subdivisions (d), (e),
24 and (f). The local contribution may be provided by private industry
25 groups, the school district, or a joint powers authority.

26 (2) A school or community college district shall not be required
27 to demonstrate that it has unhoused pupils or that a permanent
28 school building is more than 25 years old in order to receive a
29 grant under the program.

30 (h) The program shall allow the local contribution to be paid
31 over time should sufficient local funds not be immediately
32 available. The board may provide for a repayment schedule
33 consistent with subparagraphs (C) and (D) of paragraph (1) of
34 subdivision (a) of Section 17078.57 of the Education Code. The
35 board shall not waive the local contribution on the basis of
36 financial hardship or on any other basis.

37 (i) Applications shall meet the criteria developed under
38 subdivision (b) and shall require all of the following:

39 (1) A clear and comprehensive career technical education plan
40 for each course of study applicable to the instructional space.

1 (2) *Projections of pupil enrollment.*

2 (3) *Identification of feeder schools, industry partners, and*
3 *community colleges or other postsecondary schools participating*
4 *in the development, articulation, and review of the educational*
5 *program.*

6 (4) *Evidence of approval of the plan by the entities listed in*
7 *paragraph (3).*

8 (5) *The method by which accountability for pupil enrollments*
9 *and outcomes will be maintained. Outcomes shall include, but are*
10 *not limited to, certificate completion, the successful employment*
11 *of pupil in the applicable industry, and successful transition to*
12 *postsecondary institutions for work in the applicable industry or*
13 *other areas of study.*

14 (6) *Evidence of coordination with all feeder schools, middle*
15 *schools, and high schools within the area to ensure that the project*
16 *and programs complement career technical education offerings*
17 *in the area.*

18 (7) *Evidence that upon completion of the project the local*
19 *educational agency will meet all of its obligations under Section*
20 *51228 of the Education Code relating to career technical*
21 *education.*

22 (j) *Applications shall give weight to the number of pupils*
23 *expected to attend, the cost per pupil, financial participation by*
24 *industry partners in the construction and equipping of the facility,*
25 *commitment to accountability for outcomes and participation, the*
26 *strength and relevance of the educational plans to the needs of*
27 *industry for qualified technical employees applicable to the*
28 *economic development needs of the region in which the project*
29 *will be located, and coordination and articulation with feeder*
30 *schools, other high schools, and community colleges.*

31 (k) *The Office of Public School Construction shall develop and*
32 *the board shall approve, regulations to implement this division on*
33 *or before June 1, 2011, and the board may promulgate those*
34 *regulations first on an emergency basis, which shall be effective*
35 *for no more than 12 months, after which any permanent regulations*
36 *shall be promulgated in accordance with the Administrative*
37 *Procedure Act (Chapter 3.5 (commencing with Section 11340) of*
38 *Part 1 of Division 3 of Title 2 of the Government Code).*

39 26203.5. (a) *Projects eligible for funding under this division*
40 *are limited to those that achieve air quality improvements and*

1 *greenhouse gas emissions reductions beyond the requirements*
2 *under federal, state, local, or air district laws and regulations at*
3 *the time the project is undertaken.*

4 *(b) Projects shall not be provided under this division to comply*
5 *with a local, state, or federal law, rule, regulation, memorandum*
6 *of understanding, or other legally binding document.*

7 *(c) A project funded under this division shall not be used for*
8 *credit under a state or federal emissions averaging, banking, or*
9 *trading program.*

10 *(d) Emissions reductions generated by a project under this*
11 *division shall not be used as marketable emission reduction credits*
12 *or to offset an emissions reduction obligation for a person or entity.*

13 *(e) A project funded under this division shall not result in either*
14 *of the following:*

15 *(1) Adverse environmental impacts, including impacts on*
16 *species, habitat, ecosystems, land use, biodiversity, air quality,*
17 *water supply, and water quality.*

18 *(2) Reduction in access to food or production of food.*

19 26204. *(a) The council shall develop guidelines for competitive*
20 *grants and revolving loans for the purposes set forth in Section*
21 *26203. Priority shall be given to eligible entities that include*
22 *significant matching funds, as determined by the council, as a part*
23 *of their application. A minimum of 15 percent of the funds granted*
24 *shall benefit severely disadvantaged communities.*

25 *(b) The council may use appropriate state agency personnel in*
26 *administering the public outreach, education, technical assistance,*
27 *guideline development, and grant application review provisions*
28 *if these efforts are otherwise consistent with this division.*

29 *(c) The council shall award grants and adopt guidelines for*
30 *awarding competitive grants as set forth in this division.*

31
32 *CHAPTER 3. MISCELLANEOUS PROVISIONS*
33

34 26205. *(a) The Legislature may enact legislation necessary*
35 *to implement this division.*

36 *(b) Every proposed activity or project to be financed pursuant*
37 *to this division shall be in compliance with the California*
38 *Environmental Quality Act, Division 13 (commencing with Section*
39 *21000).*

1 (c) Acquisitions of real property pursuant to this division shall
2 be from willing sellers.

3 (d) Up to 5 percent of the funds allocated to a program pursuant
4 to this division may be used to pay the costs incurred in the
5 administration of that program.

6 (e) The body awarding a contract for a public works project
7 financed in part from funds made available pursuant to this division
8 shall adopt and enforce, or contract with a third party to enforce,
9 a labor compliance program pursuant to subdivision (b) of Section
10 1771.5 of the Labor Code that shall be applicable to that public
11 works project.

12 (f) The guidelines developed by the council shall establish a
13 preference or priority for projects that involve the California
14 Conservation Corps or a certified local conservation corps.

15 (g) The guidelines developed by the council shall establish
16 whether, and in what amount, an applicant must offer a matching
17 contribution.

18 (h) Chapter 3.5 (commencing with Section 11340) of Part 1 of
19 Division 3 of Title 2 of the Government Code does not apply to
20 the development and adoption of program guidelines and selection
21 criteria adopted pursuant to this division.

22 (i) The chair of the council shall provide for an annual
23 independent audit of expenditures pursuant to this division to
24 ensure that all moneys are expended in accordance with this
25 division.

26 26205.5. The provisions of this division are severable. If any
27 provision of this division or its application is held invalid, that
28 invalidity shall not affect other provisions or applications that can
29 be given effect without the invalid provision or application.

30
31 CHAPTER 4. FISCAL PROVISIONS
32

33 26206. Bonds in the total of two billion two hundred fifty
34 million dollars (\$2,250,000,000), or so much thereof as is
35 necessary, not including the amount of any refunding bonds, or
36 so much thereof as is necessary, may be issued and sold to provide
37 a fund to be used for carrying out the purposes expressed in this
38 division and to reimburse the General Obligation Bond Expense
39 Revolving Fund pursuant to Section 16724.5 of the Government
40 Code. The bonds, when sold, shall be and constitute a valid and

1 *binding obligation of the State of California, and the full faith and*
2 *credit of the State of California is hereby pledged for the punctual*
3 *payment of both principal of, and interest on, the bonds as the*
4 *principal and interest become due and payable.*

5 *26207. The bonds authorized by this division shall be prepared,*
6 *executed, issued, sold, paid, and redeemed as provided in the State*
7 *General Obligation Bond Law (Chapter 4 (commencing with*
8 *Section 16720) of Part 3 of Division 4 of Title 2 of the Government*
9 *Code), except subdivision (a) of Section 16727 of the Government*
10 *Code to the extent that it is inconsistent with this division, and all*
11 *of the other provisions of that law as amended from time to time*
12 *apply to the bonds and to this division and are hereby incorporated*
13 *in this division as though set forth in full in this division.*

14 *26208. (a) Solely for the purpose of authorizing the issuance*
15 *and sale pursuant to the State General Obligation Bond Law of*
16 *the bonds authorized by this division, the Renewable Energy,*
17 *Climate Change, Career Technical Education, and Clean*
18 *Technology Job Creation Finance Committee is hereby created.*
19 *For the purposes of this division, the Renewable Energy, Climate*
20 *Change, Career Technical Education, and Clean Technology Job*
21 *Creation Finance Committee is “the committee” as that term is*
22 *used in the State General Obligation Bond Law. The committee*
23 *consists of the Treasurer, the Controller, and the Director of*
24 *Finance, or a designated representative of each of those officials.*
25 *The Treasurer shall serve as the chairperson of the committee. A*
26 *majority of the committee may act for the committee.*

27 *(b) For the purposes of the State General Obligation Bond Law,*
28 *the Resources Agency is designated to be the “board.”*

29 *26209. (a) Upon request of the board stating that funds are*
30 *needed for purposes of this division, the committee shall determine*
31 *whether or not it is necessary or desirable to issue bonds*
32 *authorized pursuant to this division in order to carry out the*
33 *actions specified in Chapter 2 (commencing with Section 26203),*
34 *and, if so, the amount of bonds to be issued and sold. Successive*
35 *issues of bonds may be authorized and sold to carry out those*
36 *actions progressively, and it is not necessary that all of the bonds*
37 *authorized to be issued be sold at any one time.*

38 *(b) Of the one billion two hundred fifty million dollars*
39 *(\$1,250,000,000) generated from the sale of the bond and deposited*
40 *into the fund for the purposes specified in subdivision (a) of Section*

1 26203, the committee may establish the term of the bond, not to
2 exceed 30 years.

3 (c) Of the one billion dollars (\$1,000,000,000) generated from
4 the sale of the bond and deposited into the revolving loan fund for
5 the purposes specified in subdivision (b) of Section 26203, the
6 committee may establish the terms of the bond, not to exceed 15
7 years.

8 26210. There shall be collected each year in the same manner
9 and at the same time as other state revenue is collected, in addition
10 to the ordinary revenues of the state, a sum in an amount required
11 to pay the principal of, and interest on, the bonds each year. It is
12 the duty of all officers charged by law with any duty in regard to
13 the collection of the revenue to do and perform each and every act
14 that is necessary to collect that additional sum.

15 26211. Notwithstanding Section 13340 of the Government
16 Code, there is hereby appropriated from the General Fund in the
17 State Treasury, for the purposes of this division, an amount that
18 will equal the total of the following:

19 (a) The sum annually necessary to pay the principal of, and
20 interest on, bonds issued and sold pursuant to this division, as the
21 principal and interest become due and payable.

22 (b) The sum necessary to carry out Section 26212, appropriated
23 without regard to fiscal years.

24 26212. For the purpose of carrying out this division, the
25 Director of Finance may authorize the withdrawal from the
26 General Fund of an amount not to exceed the amount of the unsold
27 bonds that have been authorized by the committee to be sold for
28 the purpose of carrying out this division. Any amounts withdrawn
29 shall be deposited in the fund. Any money made available under
30 this section shall be returned to the General Fund, plus the interest
31 the amounts would have earned in the Pooled Money Investment
32 Account, from proceeds received from the sale of bonds for the
33 purpose of carrying out this division.

34 26213. All money deposited in the fund that is derived from
35 premium and accrued interest on bonds sold shall be reserved in
36 the fund and shall be available for transfer to the General Fund
37 as a credit to expenditures for bond interest.

38 26214. Pursuant to Chapter 4 (commencing with Section
39 16720) of Part 3 of Division 4 of Title 2 of the Government Code,
40 the cost of bond issuance shall be paid out of the bond proceeds.

1 *These costs shall be shared proportionally by each program funded*
2 *through this bond act.*

3 *26215. The board may request the Pooled Money Investment*
4 *Board to make a loan from the Pooled Money Investment Account,*
5 *including other authorized forms of interim financing that include,*
6 *but are not limited to, commercial paper, in accordance with*
7 *Section 16312 of the Government Code, for purposes of carrying*
8 *out this division. The amount of the request shall not exceed the*
9 *amount of the unsold bonds that the committee, by resolution, has*
10 *authorized to be sold for the purpose of carrying out this division.*
11 *The board shall execute any documents required by the Pooled*
12 *Money Investment Board to obtain and repay the loan. Any*
13 *amounts loaned shall be deposited in the fund to be allocated in*
14 *accordance with this division.*

15 *26216. The bonds may be refunded in accordance with Article*
16 *6 (commencing with Section 16780) of Chapter 4 of Part 3 of*
17 *Division 4 of Title 2 of the Government Code, which is a part of*
18 *the State General Obligation Bond Law. Approval by the voters*
19 *of the state for the issuance of the bonds described in this division*
20 *includes the approval of the issuance of any bonds issued to refund*
21 *any bonds originally issued under this division or any previously*
22 *issued refunding bonds.*

23 *26217. Notwithstanding any other provision of this division,*
24 *or of the State General Obligation Bond Law, if the Treasurer*
25 *sells bonds pursuant to this division that include a bond counsel*
26 *opinion to the effect that the interest on the bonds is excluded from*
27 *gross income for federal tax purposes, subject to designated*
28 *conditions, the Treasurer may maintain separate accounts for the*
29 *investment of bond proceeds and for the investment of earnings*
30 *on those proceeds. The Treasurer may use or direct the use of*
31 *those proceeds or earnings to pay any rebate, penalty, or other*
32 *payment required under federal law or take any other action with*
33 *respect to the investment and use of those bond proceeds required*
34 *or desirable under federal law to maintain the tax exempt status*
35 *of those bonds and to obtain any other advantage under federal*
36 *law on behalf of the funds of this state.*

37 *26218. The Legislature hereby finds and declares that,*
38 *inasmuch as the proceeds from the sale of bonds authorized by*
39 *this division are not “proceeds of taxes” as that term is used in*
40 *Article XIII B of the California Constitution, the disbursement of*

1 *these proceeds is not subject to the limitations imposed by that*
2 *article.*

3 *SEC. 2. Section 1 of this act shall take effect only upon the*
4 *approval by the voters of the Renewable Energy, Climate Change,*
5 *Career Technical Education, and Clean Technology Job Creation*
6 *Bond Act of 2010, as set forth in Section 1 of this act.*

7 *SEC. 3. Section 1 of this act shall be submitted to the voters at*
8 *the 2010, ____ election in accordance with provisions of the*
9 *Government Code and the Elections Code governing the*
10 *submission of a statewide measure to the voters.*

11 *SEC. 4. (a) Notwithstanding any other provision of law, all*
12 *ballots of the election shall have printed thereon and in a square*
13 *thereof, the words: “Renewable Energy, Climate Change, Career*
14 *Technical Education, and Clean Technology Job Creation Bond*
15 *Act of 2010” and in the same square under those words, the*
16 *following in 8-point type: “This act provides for bond issue of two*
17 *billion two hundred fifty million dollars (\$2,250,000,000) to*
18 *provide funds for a Renewable Energy, Climate Change, Career*
19 *Technical Education, and Clean Technology Job Creation*
20 *Program.” Opposite the square, there shall be left spaces in which*
21 *the voters may place a cross in the manner required by law to*
22 *indicate whether they vote for or against the act.*

23 *(b) Notwithstanding Sections 13247 and 13281 of the Elections*
24 *Code, the language in subdivision (a) shall be the only language*
25 *included in the ballot label for the condensed statement of the*
26 *ballot title, and the Attorney General shall not supplement, subtract*
27 *from, or revise that language, except that the Attorney General*
28 *may include the financial impact summary prepared pursuant to*
29 *Section 9087 of the Elections Code and Section 88003 of the*
30 *Government Code.*

31 *(c) Where the voting in the election is done by means of voting*
32 *machines used pursuant to law in a manner that carries out the*
33 *intent of this section, the use of the voting machines and the*
34 *expression of the voters’ choice by means thereof are in compliance*
35 *with this section.*

1
2
3
4
5

**All matter omitted in this version of the bill
appears in the bill as amended in Senate,
May 6, 2008 (JR11)**

O